Retail Strategy and Growth- DCK Supermarket of Zimbabwe

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Abstract

This paper describes the rise of DCK Supermarket from humble beginnings in 2004 to a visible and active player on the Zimbabwe retail landscape now operating five grocery retail outlets and 3 wholesale outlets in Harare, Gweru, Kadoma and Sanyati. Case data was collected using a mixture of interviews, questionnaires, observation and documentary data. The paper examines issues of retail growth and strategy formulation in the context of a small or medium enterprise and using concepts from family business enterprises and also describes the critical decisions made by the founders to sustain growth. Key challenges include the development of the human resource base.

Key words: DCK Supermarket, retail strategy Family firm. Small and Medium Enterprises [SMEs]

Preamble

DCK Supermarket is a family owned firm established in 2004 when the first shop under the DCK label was opened in Chegutu. Since then more supermarkets have been opened in Kadoma, Harare, and Gweru making a total of five retail branches supported by four wholesale outlets. Harare and Gweru have two retail outlets each. The company employs nearly 200 workers across all retail and wholesale branches making DCK a significant player in grocery retailing in Zimbabwe.

The company has its roots in the Sanyati area of Zimbabwe. At present the company headquarters are in Gweru. The two branches in the capital city Harare have been in existence for about two years. The company diversified its operational base by opening four wholesaling operations in Gweru, Kwe Kwe, Sanyati and Kadoma. In addition a decision was made in 2010 to engage in ranching operations [with a herd of over 2 000 cattle] which today supply the bulk of the beef sold in the company's supermarkets. The holding company which is registered as Brainman Investments also has investments in real estate. In September 2012 they moved the Gweru wholesale branch from a site the industrial area to bigger premises along Mvuma road in Gweru. In addition, the company embarked on a vast new three-storey retail and office complex in 2012 next to one of the existing retail outlets in Gweru.

Krappe *et al.* [2011: 37] posit that family businesses are frequently described as a "form of enterprise with unique attributes, such as a long-term focus, strong efforts in sustainability, social working conditions, and strong ties to their location". DCK Supermarket has established itself as one such prime Zimbabwean example in the grocery sector of this country. It is also part of a growing number of new players in the country's small grocery sector. Other Zimbabwean players in the same league are Nyaningwe headquartered in Masvingo, Gutsai in Harare or Greens in Bulawayo.

Berman & Evans [2010] argue that the retail sector is associated with ease of entry due to low capital requirements and relatively simple licensing regulations. This paper seeks to investigate how, with less than five years working experience as a teacher Douglas Kwande and his wife founded DCK Supermarket and were able to gain entry and establish a foothold in the local Zimbabwe retail sector; what strategies were used to mobilize resources - financial and otherwise-; how a growth strategy was crafted and how the new company survived during some of the most trying times in Zimbabwe's recent socio-economic history and further how the transition from hyperinflation to a multi-currency economy was managed. The paper also attempts to inquire into the workings of a first generation family firm and how decisions are made at the nexus of family, business and personality. As Trevinyo-Rodriguez [2009] put it "on one side, we have the tender, altruistic and always supportive "family", whereas on the other we devise the competitive, always challenging and striving-to-create-wealth "business". Kotey [2005:5] represents the dilemma somewhat differently as "a convergence of goals of three different entities – the business, the family, and the founder. Family goals influence development of business goals and also interact with the personal goals of the founder in forging both long-term strategy and daily business decisions".

Background and Literature review

Small and medium-sized enterprises play important roles in many economies. In a study of the motivations for business ownership in three African countries namely Ghana, Nigeria and Kenya, Benzing & Hu [2009] reported that in 2003 such enterprises in Kenya employed 3.2 million people and contributed 18% of GDP there while in Ghana approximately 70% of the workforce was employed in micro-enterprises. They point out that better understanding of the motivation for business ownership can help policymakers to craft appropriate policies in matters related to business creation. They further indicate that a number of "push-pull" factors lead to the creation of entrepreneurial ventures. This case study also reveals some factors that moved a husband and wife team to start and grow DCK Supermarket. Brannback *et al.* [2008: 104] have asserted that "family owned and managed firms represent a substantial portion of national economies" making significant contributions in terms of employment and economic output. While many such companies may remain small, there are many examples worldwide of family firms that have grown to be substantial business enterprises. Prominent examples among retailers include Walmart which today is the world's largest company and IKEA now the world's largest furniture retailer. These retailers and others are eminent examples of retail entrepreneurship. Ingvar Kamprad started IKEA by selling matches, fish, Christmas tree decorations and seeds by bicycle [Kippenberger, 1997]. Sam Walton also started Walmart from humble beginnings to become the world's biggest retailer. According to Zachary [2011: 28] "families are the most important sources of human capital, social capital, financial capital, and physical capital."DCK Supermarket therefore makes a good and worthwhile example of Zimbabwean retail entrepreneurship.

The concept of family business has been defined in different ways in the literature. One reason for this is that the concept itself straddles two social systems i.e. family and business both of which are problematic to define in any precise terms. Collins [2011] reports that The European Commission Expert Panel on Family Business identified more than 90 definitions and found that, even within the same country, several different definitions were in use. Many of these definitions of family business take into account several aspects, such as family ownership, involvement in the management, strategic control, business as a source of income for the family as well as the desire for intergenerational transfer. The definition adopted by Brannback *et al.* [2008:110] that "a family firm is one in which ownership and policy making are dominated by members of an emotional kinship group" is a convenient one. Many family firms encompass multiple generations and so definitions of family enterprises may range from narrow to broad and inclusive ones depending on the number of generations involved. Broad definitions permit the inclusion of first generation family firms [IGFF] such as DCK. Sorenson, [2010:165] reflects also on the complex relationship between family and firm and observes that "A family business is one in which the social structure of the family overlaps with the social structure of the business. The result is that the social structure in the business takes on some of the characteristics of the family". Indeed in some cases, critical matters such as growth, strategy and management may be decided within the context of family councils rather than company board rooms.

In addition modern families in different societies take on different forms [Brannback *et al.* [2008]. In Zimbabwe, the concept of an extended family that goes beyond the nuclear biological family is still strong in both theory and practice. Family firms in Zimbabwe may, out of necessity therefore, accommodate this extended dimension. In particular, this may find resonance with the Africanist theory which has its genesis in the writings of Placide Tempels in the 1940s [Eze, 1998]. Many authors have also introduced the concept of "familiness" into the study of family businesses: namely the degree to which the family determines the behaviour and direction of the business. According to Brannback *et al.* [2008:109] familiness has the potential to confer unique sustainable competitive advantages, including affording the bundle of unique resources and capabilities to the firm flowing from the interactions of the family, its members, and the business itself over both time and space. "Families are made up of people who have a shared history, experience, some degree of emotional bonding, sets of common goals for the future, and whose activities involve group issues as well as individual concerns".

Just as there is no agreement on defining the family firm, there is no single, distinct uniformly accepted definition of the small firm. "Qualitatively, it can be defined as an independent business, managed by its owner or part-owners and having a small share of its market" [Wong & Aspinwall, 2004:44]. The authors say that in the OECD small firms are regarded as organizations having fewer than 250 employees. Mazzarol *et al.* [2009] also define a small business in a similar fashion to include micro-enterprises, small businesses, and medium enterprises. Thus by definition, many family firms tend to be small firms as well and DCK Supermarket with a staff complement of just under 200 would fall into this category. The Small Enterprises Development Corporation [Zimbabwe] also defines a small and medium enterprise as an entity "employing no more than 75 employees": DCK is just over that margin.

Entrepreneurial family and small firms are "usually operated with a considerable degree of informality and the firm's culture is transmitted by direct contact between the founder and personnel, so everybody knows what the firm wants to achieve and how" [Suare & Martin, 2004: 160]. When a family is in control of a firm, there will often be a transfer of goals and values from the family to the business sub-system. Such considerations therefore impact on retail strategy formulation and implementation in a firm such as DCK Supermarket. Hence strategy may be more emergent than planned.

DCK Supermarket has grown and flourished over a short but very challenging part of Zimbabwe history from 2004 when the first store was opened under the DCK flag. It survived through a deep economic crisis during the first decade of the twenty-first century through sheer perseverance by the founders. Colli [2011: 15] has argued passionately for the promotion of business history which he defined as "the study of the historical development of business". According to Colli, such studies cover archival research (oral and written), the compilation of individual stories and cases to produce comprehensive general syntheses, broad conceptual frameworks, issues and generalizations.

In the course of even a single case study such as this, it may thus be possible to illustrate, qualify or redefine broad frameworks and so proceed beyond the mere collection and compilation of facts.

Quoting Jones and Khanna (2006), Colli [2011] explains that business history encompasses in a complementary fashion both a longitudinal and a cross-sectional approach. Many aspects of family business have significant historical flavor e.g. leadership succession in the long term or survival, organizational transformations and governance, strategy formulation, decision making or career development. Hamilton [2011] also describes the concept of entrepreneurial learning [i.e. the acquisition and development of the competencies, skills and abilities to found, to join or to grow a venture] by using Lave & Wenger's [1991] representation of communities of practice within family businesses.

Reid *et al.* [1998] note that family firms have different goals from non-family firms and they go further and distinguish between a family-first philosophy [where the business serves the family] and a business-first philosophy [where the family serves the business] within family businesses. Business-first family firms are more likely to focus on growth. These two approaches however represent the extreme ends on a bipolar scale. The classification is also related to the question of why such firms come into existence in the first place and how they are run. In the case of DCK, the Kwande family's eldest child [a daughter] was just eight years old at the time of this study [2012] and thus it was an early first generation family firm [1GFF]. Zachary [2011:11] even cautions that "first generation-only firms…are not bona fide 'family business' until they have involved another generation". Their longevity [i.e. prospects for intergenerational transfer] is always in doubt. "The grandchildren traditionally squander the inheritance – either purposefully or through ineptitude or neglect" [*Strategic Direction*, 2006:11]. DCK has yet to face this acid test.

As a key objective, this study was designed and carried out with the goal of investigating the role of the founder[s] within the family firm; the ways by which that role and position of the founders [Douglas Kwande and his wife] may have advanced or compromised or even impeded the growth of the retail firm or the extent to which the Kwande family, however it is defined, may appear to dominate ownership and management of the firm.

Lussier and Sonfield [2010] highlight two management types which may be applicable to firms such as DCK Supermarket. He depicts a "paternalistic" management style which is characterized by hierarchical relationships, top management control of power and authority, close supervision, and distrust of outsiders. "Professional" management on the other hand involves the inclusion [and sometimes the predominance] of non-family managers in the firm. Additionally, "professional" management may involve the use of outside consultants, advisors, and professional services; more time engaged in strategic management activities; and the use of more sophisticated financial management tools [Hall and Nordqvist, 2008, and Lussier, 2010]. A related matter is an increase in the use of team-management style. [Trevinyo-Rodriguez, 2009]. Professional management would address such key Human Resources [HR] issues as: who is appointed; by whom; issues of performance monitoring/appraisal, discipline, promotion etc. According to Gurd & Thomas [2012:4], as family firms grow they might be expected to engage professionals such as accountants and others who would focus on more strategic issues and not mere "bean counting". They however caution that "there is some evidence of problems of working in a family firm…family members may have discussions at social gatherings without informing non-family managers in a timely way". Additionally "there is likely to be underinvestment in their development" [Gurd & Thomas 2012: 6].

In their lifetimes [and even beyond], founders of family firms may exercise a towering influence. In a multi-generation family firm they cast what Lussier & Sonfield [2010] call a generational shadow over the organization and the critical processes within it. This generational shadow may, at times, have dysfunctional effects on the performance of the firm. Yet such "generational shadow" may also have positive impact, by providing a clear set of values, direction and standards for subsequent firm managers. The founders of companies such as DCK play critical roles in shaping the direction and thrust of their companies especially in the formative years. How long these influences endure, only time can tell.

Corporate governance structures [i.e. the system by which companies are directed and controlled] is also an important dimension in small, entrepreneurial and family firms. Relevant issues include the number of Board meetings, Board regulations, the position and role of the CEO/MD, the operations of special committees or the remuneration of Directors etc. On the other hand Suare & Martin, [2004] contrasted these formal governance structures with the less formal family meetings, family assemblies and family councils. Other relevant dimensions include the ownership, governance, management and succession, as well as objectives, strategies, firm structure and the way in which these are formulated, designed and implemented. Zimbabwean writer Sikomwe [2012:17] also highlights these governance issues and challenges where, because of weak or informal organizational structures, "oftentimes the founder is the ultimate man … filial and professional lines overlap and often get blurred".

For a retailing firm like DCK Supermarket, these matters have significant impacts on the formulation of retail mix, retail positioning, growth choices, identification of which consumer markets to serve, location decisions and similar questions which matters Suare & Martin, [2004] investigated through a questionnaire directed to participating family firm chief executive officers. In this study, questionnaires were administered to branch managers many of whom were family members.

Mazzarol [2003:29] argues that "growth in small firms usually involves increasing the number of employees engaged within the business, as well as the overall complexity of the enterprise [e.g. multiple sites, multiple product lines and increasingly complex marketing environments]". He has argued that as small businesses grow and the number of employees increases there is a heightened need to develop and implement human resource management [HRM] policies. The faster the growth experienced by the small firm, the more likely it will experience HR problems. To address these issues/problems, it becomes necessary to craft suitable HR policies and procedures to ensure long-term success and performance of the small firm. Mazzarol asserts that with less than 100 employees the firm can probably operate successfully without a full-time personnel or HR manager but beyond that a strong HR function becomes an imperative. On this basis a company such as DCK

Supermarket which now employs nearly 200 workers would require formal HR structures under a full-time HR manager.

For most small business owners, especially in the initial years, the tendency to be “micro-managers” constantly engaged in the everyday minutia of the business may be irresistible. However, as the business grows it becomes necessary for the owner to develop a team and to delegate tasks. Mazzarol [2003] describes this tendency in the early stages of the firm’s lifecycle as “nanomanagement”. However, with growth in scale and complexity, the firm may experiences a crisis of leadership, and it must establish a team of professional managers. In the small business sector however, there is usually reluctance to allocate expenditure to employee training and development and there is often a concern by the owner-manager[s] over delegating critical tasks which may result in serious consequences to small firms if not handled properly. According to Breslin [2010: 130], “in those businesses that do grow, one particular crisis which must be overcome is the increasing pressure to introduce more professional managers to broaden the management team”. Breslin recommends the introduction of a more balanced management team, delegation of decision-making, relinquishing control and introducing formal structures and roles. However this has the capacity to create problems for the entrepreneur as the previous power base centred on the entrepreneur is weakened and threatened.

Breslin [2010] also draws a distinction between “owner-managers” and “entrepreneurs”. According to him an owner-manager is someone who founds or acquires a small firm for personal goals and for whom the firm is typically their primary source of income. In most cases the firm is inseparable from the owner-manager. An entrepreneur on the other hand focuses on profit and growth, and uses innovation and strategic management to achieve growth. The difference between the two may however sometimes be slender. Breslin’s typology of owner-managers and entrepreneurs was also related to the concepts of “managerial competence” [focused on efficiency and the maintenance of the status quo] and “entrepreneurial competence” [focused on risk taking and the maximisation of profits through the pursuit of opportunities and of growth]. According to Breslin therefore, family owned firms are more likely to be managerially oriented rather than entrepreneurially oriented. Additionally, Breslin [2010] also recognizes that small firms might not seek to grow but may contain or "cap" their growth, with such decisions likely to take place in the very early stages of the firm's life before it moves from small to medium size. He claimed that this may restrict expansion in order to avoid risk, uncertainty and the problems associated with hiring more employees, winning new markets, developing new products or securing new capital investment.

Managerial and entrepreneurial tendencies also align with the use of business plans and strategies especially the adoption of formal written plans. Again Breslin [2010: 325] says that many small business owners do not take the time to plan because they are faced with "the perishable nature of the opportunities they identify in a rapidly changing environment". More importantly owner-managers may engage in informal or "intuitive" business planning. In reality however, sometimes the planning process is more important than the business plan itself. Mintzberg *et al.* [2003:5] posits that "strategies may result from human action but not human designs". In the small entrepreneurial firm strategy is often "emergent" as it involves the identification and pursuit of initially unforeseen opportunities. An owner-manager needs to remain flexible and adaptable when responding to market conditions. Accordingly, the strategic planning process should not become too formal and rigid.

The issues discussed above are no doubt important to many firms in different sectors. However DCK Supermarket is above all a retailer. According to Levy *et al.* [2012:116], the basis of a good retail strategy is retail positioning which, according to them, can be defined as "the design and implementation of a retail mix to create an image of the retailer in the customer's mind relative to competitors". A company's retail mix decisions entail that retail strategy should be crafted to satisfy identified customer needs and to influence their purchase decisions. Skallerud &, Gronhaug [2010:198] identify four specific integrated strategies within the retail mix.

1) Merchandise decisions [i.e. the core merchandise policy, branding, assortment profiles, and merchandise extension].
2) Store format and environment [i.e. profile of the outlet, space allocation, visual merchandising, design, and atmosphere].
3) Customer service [i.e. product services, service products, and personnel services].

4) Customer communications [i.e. advertising, PR, in-store displays, and visual merchandising].

Competent management of each activity in the retail mix is required to create a retail offer that fits with the expectations of the targeted customer segments. By combining the retail mix activities, an effective overall positioning of the retail offer may be achieved. Levy *et al.* [2012], highlight that in order to implement a retail strategy, a retailer must develop a retail mix which reflects how the retailer plans to focus resources to accomplish its goals. Thus a retailer needs to identify the target market, nature of merchandise and services that will be offered as well as how to build long term competitive advantages over other players. The retail mix therefore consists of a set of decisions which are critical to enable a retailer to satisfy customer needs and influence their purchase decisions over types of merchandise, merchandise pricing, advertising and promotional programmes, store design, merchandise display, assistance to shoppers provided by salespeople and convenience of store's location.

A critical element to all this is the centrality of the role of the founder in small and family businesses and as Kotey [2005: 4] tells it: "In small firms, business goals are inseparable from the personal goals of the owners and reflect the personal needs, values, structure of beliefs, and philosophies of the owners. Since the personal goals of owner-managers are not necessarily optimal or economically rational, performance of their firms may not always be commensurate to those demanded by the economic system".

Berman & Evans [2010: 68] also say that a retailer needs to build a consumer perception or image which "represents how a given retailer is perceived by consumers and others". A retailer devises his positioning in a way that projects an image relative to its retail category and its competitors. The company requires a clear retailing concept or customer orientation which sets the attributes and needs of its customers and how to satisfy them in a coordinated fashion through integrated plans, a clear focus on value driven activities e.g. whether upscale or discount. Prices should be appropriate to the level of products and customer service offered. Varley [2006: 9] adds that "positioning is a subjective concept" and that "retailers capture the customers' interest by the nature of their product range" such as price, product assortment, convenient to use/visit and service quality.

Methodology

This study was conducted in the form of what Creswell [2007: 74] calls an intrinsic case study "in which the focus is on the case itself…because the case represents an unusual or unique situation". The story of DCK Supermarket is most probably different from any other retailer in Zimbabwe or anywhere else and therefore possesses uniqueness. Both its content and its context are different and so are the principal players. Creswell further adds that cases chosen may be ordinary, accessible or unusual. DCK Supermarket possesses aspects of those qualities: it is ordinary because retailers are such an ubiquitous feature of modern urban life and landscapes; it was accessible to the researcher as the company operates its principal offices in Gweru where the researcher works as lecturer at the Midlands State University.

Yin [2009:18] provides a "technical definition" of a case study which he says has a twofold scope:

1) "A case study is an empirical inquiry that:
   - Investigates a contemporary phenomenon in depth and within its real-life context, and especially when
   - The boundaries between phenomenon and context are not clearly evident.
2) The case study inquiry
   - Copes with the technically distinctive situation in which there will be many more variables of interest than data points, and as one result
   - Relies on multiple sources of evidence, with data needing to converge in a triangulating fashion, and as another result
   - Benefits from the prior development of theoretical propositions to guide data collection and analysis".

The case study method is especially suitable when "why" and "how" questions are posed and where there exists a "focus on contemporary as opposed to historical phenomena" [Yin, 2009: 2]. Yin however tampers the emphasis on contemporary events by observing that: "Histories can, of course, be done about contemporary events; in this situation, the method begins to overlap with that of the case study…The case study relies on many of the same techniques as a history, but it adds two sources of evidence not usually included in the historian's repertoire: direct observation of the events being studied and interviews of the persons involved in the events" [Yin, 2009:11]. This coincides closely with the views presented by Colli [2011] about role and place of business history. This case study adopts a similar methodology.

A number of data sources were used for this research. An audio tape recorded interview was conducted with the owner/manager and founder of DCK Supermarket, Douglas Kwande on 28 June 2012. The interview is available on CD kept under security of the researcher. The research also relied on such company reports and documents as were available while some data was gathered through two questionnaires one administered to senior members [in charge of finance and human resources] and the second to branch managers of retail and wholesale outlets. In total, eight questionnaires were responded to: covering all branches except Sanyati. Again except for Sanyati, all branches were visited. Holistic within-case analysis was done on this data to gain a detailed description of DCK Supermarket [as a family firm; as a retailer and a company], its history, and the chronology of events that created it as a significant retail player as well as the more mundane aspects that represent its operational activities. Analysis of themes was conducted to secure "understanding of the complexity of the case" [Creswell, 2007: 75] including interpretation of the meaning of this case and of the lessons that may be learnt. As Yin [2009: 15] suggests "your goal will be to expand and generalize theories [analytic generalization] and not to enumerate frequencies [statistical generalization]". With analytic generalization "a previously developed theory is used as a template with which to compare the empirical results of the study case" [Yin, 2009:38]. Yin further explains that analytic generalization can be used whether the study case involves one or several cases.

To address the issues of validity and reliability, this paper adopted Yin's [2009] guidelines and thus a data triangulation procedure was used [company documentary data, observation, an interview with the founder, two questionnaires for branch managers and two senior executives]. As Yin [2009: 115] states 'the use of multiple sources of evidence in case studies allows an investigator to address a broader range of historical and behavioural issues" by creating "converging lines of inquiry." The case study reports also attempted to maintain a chain of evidence from the case study research questions and through a case study protocol.

Preceding sections have established the significant theoretical issues relating to small and medium family firms and the nature of retail strategy and growth. The methodology adopted in this study has also been outlined. The rest of this paper then presents research data collected through a combination of questionnaires, observation, documentary evidence and an interview lasting close to two hours with the Managing Director of DCK Supermarket, Douglas Kwande on 28 June 2012 [recorded and available on CD]. Further short informal oral interviews were conducted with Douglas Kwande in order to clarify some issues. I was also able to visit each of the five retail branches. During such visits I conducted observations, discussed various issues and received clarifications about the nature of the company's operations from branch managers and other company officials. Regrettably it was not possible to schedule an interview with Mrs Kwande due to overseas commitments on company business. As researcher I was confident however, that despite this omission, comprehensive and representative data had been collected. Interview data is presented mostly in the form of a business history as Colli [2011] and Yin [2009] suggest. All five Branch Managers completed a questionnaire. A modified questionnaire was also distributed to the heads of Human Resources and Finance. Through this triangulation process, a range of findings, conclusions and assertions are also presented.

The interview data lays the foundation for data presentation. This is presented and discussed in the light of theoretical frameworks revealed in the literature review. Questionnaire data is infused into this presentation and discussion. Some documentary data was gathered but it was rather limited and fragmented. This data will be incorporated in discussion as it becomes relevant.

Results and Discussion

Born in 1974 in the cotton growing area of Sanyati in central Zimbabwe, Douglas Kwande notes that he got the bulk of his start-up capital from the ZW$ 15 000.00 salary back pay received at the beginning of his teaching career in 1999 after graduating as a primary school teacher. He personally estimates that this amount was perhaps equivalent to USD1 000.00 at the time. Armed with this modest purse, Kwande bought and resold cotton and maize and raised chickens. In June 2000 he set up a small general dealership and engaged one employee. By 2002 when he took what he refers to as the "risky decision" to give up teaching, he had four such general dealer shops in his home district of Sanyati. In 2003 he married Clarice then a second year university student working for an engineering degree at the National University of Science and Technology in Bulawayo, Zimbabwe. In 2004 the general dealership moved to Kadoma and the new company, Brainman Investments, started trading under a new brand and identity as DCK [for Douglas and Clarice Kwande]. According to Douglas, the first branded DCK Supermarket was a modest affair, barely 100 m^2 in the high density township of Rimuka in Kadoma [a small city of 43 000 inhabitants – CSO, 2002]. It operated with two tills. In that same auspicious year the new couple also had their first child – a girl.

The fifth child in a family of ten, Douglas retains strong bonds with his brothers and sisters. Two sisters in fact were among the first shop-keepers of the general dealer business. The nine surviving brothers and sisters are all with DCK today: two sisters are Branch Managers at Kadoma and Sanyati, a brother is chief mechanic for the company's fleet of over thirty vehicles; another brother manages a retail and a whole branch in Gweru. The youngest brother had charge of procurement and logistics even while studying in South Africa and is a key board member. He is also being groomed to run IT operations in future. Brannack *et al.* [2008:110] state that in a family firm, ownership, control and policy making are dominated by members of an emotional kinship group. The overwhelming majority of DCK top management and its entire three-member Board of Directors [comprising Douglas, Clarice and brother Kudakwashe] belong to such a group. As a family group, they certainly control management and perhaps policy making. From the questionnaire data however, the highest and most frequently stated "main company decision making committee" branch mangers belong to is the workers' committee. Another manager mentions membership of a ''disciplinary group". Others could cite no decision making committees they are involved in. More may need to be done to develop a more strategic view among managers beyond daily operational concerns. With ownership being the exclusive preserve of Douglas and his wife, control and management remain highly centralized. The outcome nevertheless is that there is very little practical separation between family councils and business meetings as Sorenson, [2010] and Sikomwe, [2012] observe. This is also a manifestation of the concept of "familiness" that many authors have referred to in the family business literature.

Though Kwande says "I enjoyed teaching" he also categorically says the driving force in taking up retailing was that "I want to be rich… I need to have money" [Interview: 28 June 2012]. This is the kind of pull factor that Benzing & Hu [2009] allude to in their study of the motivations of small business owners in Nigeria, Ghana and Kenya. But Douglas quickly realised that the market base in the rural areas was small and so he moved to the urban areas, firstly via the high density areas in Kadoma which also soon proved limiting. In 2007, DCK Supermarket made the profound strategic decision to re-focus by shedding off all their general dealer operations in rural areas as well as some urban operations to his brothers and sisters who had helped him to get started. Douglas and his wife now focused their energies on Kadoma and Gweru. They opened an additional retail branch in Gweru's Main Street and a wholesale outlet as well in the industrial area; a foray into Bulawayo [Zimbabwe's second largest city] was less successful and the company withdrew from there. Perhaps this location was too far flung from its core operational areas in central Zimbabwe. Kwande realized through experience that though volumes of transactions are large in these urban low-income, high-density areas, the monetary value of the purchase basket is small there. The company was therefore going to "think big" and DCK Supermarket moved on to face some of Zimbabwe's largest grocery retailers by moving into downtown Harare [the largest city in Zimbabwe] for example with a flagship branch facing OK Zimbabwe one of the country's biggest grocery retailers and also into the sprawling Mbare suburb in the nation's capital city. In Gweru, DCK Supermarket is the only significant retail chain with two branches in the city's Central Business District.

In all the years of its existence, DCK has had to adapt and learn. The biggest challenge during the period of hyperinflation up to early 2009 was price control. Douglas makes it clear that during that time even mere survival required dexterous bargaining with authorities and keen appreciation of the difficult and dynamic/volatile operational, political and economic environment in which delicate relationships had to be negotiated and managed. It was also a time during which the husband and wife team reassessed their strengths and built up resources, as well as capital and capacity; they also waited and hoped for a sunshine break which the multi-currency regime ushered in February 2009.

In 2010 DCK Supermarket decided to diversify and the company embarked on cattle breeding operations which today [with a herd of over 2 000 cattle] generates what Douglas Kwande calls "passive income" by supplying all the beef sold in the company's in-store butcheries at their supermarket outlets. The portfolio has also been further diversified by venturing into real estate investments and wholesaling. In 2012 the company was building a new retail/office complex in Gweru as part of its diversification. It is also clear from discussions and observations that the company has also adopted a policy of backward integration of wholesale and retail activities. Thus the Gweru wholesale branch in particular serves as both wholesale outlet as well as a distribution centre especially for foreign sourced goods from South Africa and China which form at least 70% of retail merchandise due to a steep decline in manufacturing production following years of hyperinflation which came to an end when the local currency was dropped in 2009 in favour of the US dollar and other currencies.

As Managing Director and Operations Director respectively, Douglas Kwande and his wife have a hands-on approach to their day-to-day business operations. Douglas Kwande, remains very deeply involved in the day to day operations of the company as its CEO. Characteristically, as D'Andrea *et al.* [2006: 662] argue the small retailer owns and operates his company and maintains "close and continuous personal involvement in the day to day operations at the retail level". After some costly staffing mistakes, the company has adopted a cautious approach to recruitment. In addition, there is no appetite for outside capital injection: as a self-made man, Kwande has a clear aversion for debt or external equity. Douglas Kwande says he needs to "consolidate" his position before this can happen [Interview, 28 June 2012].

The company has started recruiting some qualified professionals to improve its competitive position e.g. in accounts; some managers now hold university degrees [Harare and Kadoma]. Recruitment has been delegated to the HR department save for managers and security personnel which remain the preserve of the Managing Director. As a family firm, they derive strength from the abundance of dependable relationships anchored upon trust and family values [Brannback *et al.* [2008]. Even Douglas' mother is a pillar of strength and solidarity. The family helps the business to grow and vice versa. Head hunting and posters are used as recruitment tools and so the company had never used the national print or electronic media for advertising company positions. The company also seeks to improve on customer care by recruiting either qualified /trainable people; or by re-deployment in order to avoid retrenchment of staff. Apart from a cautious [perhaps even grudging] concession on staffing and recruitment it seems that DCK has yet to break from "paternalistic" management to "professional" management as represented by Lussier and Sonfield [2010] or Trevinyo-Rodriguez [2009]. Thus the dangers of marginalization of new non-family talent may be lurking as Gurd and Thomas highlight in their 2012 study.

As stated above, Branch Managers belong to the family. In general, most are young [three are in the 20-30 age range]; the depth of managerial experience in retail in all cases is rather limited- two years at most except in one case [Questionnaire data, 2012]. Total working experience is also limited – mostly under 3 years. In the circumstance, a lot hangs on the genius and insights of Douglas and his wife who have been with the company from its inception. Hence Douglas in particular, is deeply involved in the day to day operations of company and makes decisions in all sectors of operations at all levels. He confesses that he has hardly taken a holiday break over the years.

The company needs to spend more time in long range planning e.g. in developing, disseminating and communicating its mission, vision and values. Three of the five managers appear to be unaware of the existence of a statement of company mission, vision and values. In the absence of formal advertisement in the print or electronic media, perhaps more frequent use could be made of posters and flyer highlighting messages to its customers about what the company stands for. Greater use could also be made also of community involvement beyond donations to functions such as school prize giving.

Although branch outlets differ, most have grocery, dry foods, fruit and vegetables, butchery, cosmetics, takeaways sections. Questionnaire data attests that the company's competitive advantages lie in the range and availability of products, keen pricing and quality of merchandise. These statements align with those highlighted by the Managing Director himself. Thus there is convergence and congruence. However the messages are less consistent with respect to market segments served. Some managers see their market as consisting of "all consumer classes"; another sees a segment that requires "basic commodities"; for yet another, the market segment consists of consumers who are "price and quality sensitive", another is noncommittal; yet another sees ''middle level income earners''; finally ''civil servants''. Apparently there is no widespread use of promotions and advertising.

The company continues to source products locally and from South Africa. However, in 2012, DCK management visited Mauritius and China and went directly to factories and manufacturers. These visits opened new insights and a heightened appreciation on the prospects of increasing product quality and range. From the China market, an additional 200 product lines were added with the biggest impact being in the cosmetics area [and perhaps also in kitchenware] where the MD reckons that DCK Supermarket now tops the list in Gweru where company Head Offices are located. At all DCK branches, the cosmetics department operates as a self contained unit. It represents a major pull factor for customers.

According to the MD, as a retailer DCK Supermarket aims for price competitiveness by monitoring the competition, by judicious procurement practices and "providing quality merchandise and service while offering value of [sic] money" [DCK, nd: mission statement], through direct procurement from manufacturers for example as well as product availability. The MD regards the company's customers as a discerning and educated group.

At 96% Zimbabwe has the highest literacy rate on the African continent [ZIMSTAT, 2013:67]]. There is "no compromise" on product quality he says [MD: Interview, 28 June, 2012]. He however acknowledged that interior décor reflects poorly against the competition [MD: Interview, 28 June, 2012]. The downtown branch in Harare is the exception in this respect. Thus in the regions where it operates, DCK is a "regional" force; nationally it aims to mount a significant challenge even to the country's biggest retailers. "We will come up with new ideas" in response to every situation [MD: Interview, 28 June, 2012]. As Mintzberg *et al.* [2003:5] say "strategies may result from human action but not human design".

Examination of DCK organogram shows that in contrast to Mazzarol *et al.'s* [2003] suggestion, DCK has gone over the 100 staff threshold without engaging an HR professional even in the face of growth in the number of retail outlets and diversification of operations. He also describes a tendency by small firms to "cap growth" by ignoring potential growth opportunities for fear of losing control. My interview with Douglas Kwande [28 June 2012] clearly shows a passionate appetite for growth. However, the founder is averse to the introduction of external capital. It may be that the thresholds Breslin [2010] sets may be inapplicable in DCK Supermarket's operating environment. It has been said also that small businesses do not invest enough in their human resources [Gurd, B. & Thomas, J. [2012]. DCK has made some modest beginning in redressing this situation with three of five managers now holding degree qualifications or studying towards such qualification in various aspects of business management [Questionnaire data].

Recommendations

The findings of this study clearly depict DCK as a family firm but since Douglas' children are still very young, the firm relies on the extended family consisting mostly of Douglas' brothers and sisters. In due course, the founding couple needs to find a model that builds on these operating family conditions and the need for intergenerational transfer to their own children. On Reid *et al's*[1998] typology of family and non-family firms it could be argued that

DCK has a blend of a family-first philosophy [where the business serves the family] and a business-first philosophy [where the family serves the business]. DCK is clearly focused on growth under a framework that places emphasis on the role and participation of the adult members of the wider family. Also as Sorenson, [2010:165] observes the social structure of the family overlaps with the social structure of the business especially as evidenced by the family's role at branch management and at Board level and thus determining critical matters such as growth, strategy and management may be decided within the context of family councils rather than company board rooms. The literature suggests that as companies grow they will require a broader range of skills which the family may be unable to provide. DCK seems to be at a point where outside talent may be required to a greater extent.

While management style at DCK does not currently equate to a "paternalistic" approach as Lussier and Sonfield [2010] describe, it still lacks many of the critical and desirable "professional" elements at the positive end of the spectrum. Such issues will require the attention of the directors and founders of the company in the future especially as the company continues on a growth trajectory. DCK has manifested "entrepreneurial competence" [focused on risk taking and the maximisation of profits through the pursuit of opportunities and of growth] in place of "managerial competence" which according to Breslin [2010], acts to contain or "cap" growth. Evidently the founders have the resources for such a strategy thus creating and reinforcing a positive generational shadow which Lussier & Sonfield [2010] describe.

Mazzarol [2003:29] has described how within small firms, an increase in the number of employees together with the overall complexity of the enterprise [e.g. multiple sites, multiple product lines and increasingly complex marketing environments] brings about a heightened need to develop and implement human resource management [HRM] policies. The faster the growth experienced, the more likely companies may experience HR problems. Based on this view, there exists the risk that unless a more sophisticated professional posture is adopted human resource provision and practice may create impediments to future growth for DCK Supermarket which now employs nearly 200 workers.

A critical element to all this is the centrality of the role of the founder in small and family businesses and as Kotey [2005: 4] tells it: "In small firms, business goals are inseparable from the personal goals of the owners and reflect the personal needs, values, structure of beliefs, and philosophies of the owners. Since the personal goals of owner-managers are not necessarily optimal or economically rational, performance of their firms may not always be commensurate to those demanded by the economic system".

The company may be in need of a coordinated and consistent communication strategy which best represents how the company as a retailer is perceived by consumers and others [Berman & Evans [2010: 68] and understood and practiced at all levels.

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